



CITY OF DALLAS

STATE OF TEXAS

COUNTY OF DALLAS

CITY OF DALLAS

I, **DEBORAH WATKINS**, Assistant City Secretary, of the City of Dallas, Texas, do hereby certify that the attached is a true and correct copy of documents from

FILE NO. 04- 3084

filed in my office as official records of the City of Dallas, and that I have custody and control of said records.

WITNESS MY HAND AND THE SEAL OF THE CITY OF DALLAS, TEXAS, this the
9th day of November, 2004.

**DEBORAH WATKINS
ASSISTANT CITY SECRETARY
CITY OF DALLAS, TEXAS**

rw

COD_HOU 0002452

OFFICIAL ACTION OF THE DALLAS CITY COUNCIL

October 27, 2004

04-3084

Item 71: Dallas Housing Finance Corporation Projects

- * A resolution supporting the Dallas Housing Finance Corporation tax-exempt bonds and 4% tax credits for the new construction of 248 multifamily units for seniors to be known as the Cherrycrest Villas Apartments located at 2563 John West Road - Financing: No cost consideration to the City
Recommendation of Staff: Approval

Councilmember Fantroy announced that he had a conflict of interest and would abstain from voting or participating in any discussion. Councilmember Fantroy left the city council chamber.

Councilmember Chaney moved to approve the resolution.

Motion seconded by Deputy Mayor Pro Tem Hill and unanimously adopted. (Fantroy abstain; Oakley absent on city business)

COD_HOU 0002453

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OFFICE OF THE CITY SECRETARY

CITY OF DALLAS, TEXAS

October 27, 2004

WHEREAS, on April 25, 1984, the City of Dallas (City) approved and authorized the creation of the Dallas Housing Finance Corporation (DHFC) as a Texas nonprofit corporation, pursuant to the Texas Housing Finance Corporation Act, Chapter 394, Local Government Code, V.T.C.A. as amended (the Act), to act on behalf of the City in carrying out the public purposes of the Act; and

WHEREAS, DHFC is authorized by the Act to issue its revenue bonds on behalf of the City for the purpose of providing funding for housing development for persons of low and moderate income to be located within the city; and

WHEREAS, on October 9, 2003, DHFC issued a preliminary inducement for the issuance of a multifamily mortgage revenue bonds in an amount not to exceed \$15,000,000 for the financing of the land acquisition and construction of 248 new multifamily units for seniors referred to as the Cherrycrest Village Apartments for the benefit of TX John West Housing, L.P. (Applicant); and

WHEREAS, on September 10, 2004, the Applicant was issued a Certificate of Reservation for a tax-exempt bond allocation from the Texas Bond Review Board in the amount of \$15,000,000; and

WHEREAS, under the TDHCA 2004 Qualified Allocation Plan and Rules (QAP), if the development is located in a municipality that has more than twice the State average of units per capita supported by Low Income Housing Tax Credits or private activity bonds, the Applicant must obtain prior approval of the development from the governing bond of the municipality; and

WHEREAS, as a condition for being awarded the 4% tax credits from the TDHCA, the Applicant has committed to renting 124 units to tenants with incomes and rents capped at 50% or below the Area Median Family Income (AMFI), 124 units to tenants with incomes and rents capped at 60% or below AMFI in compliance with the maximum Housing Tax Credit and Tax Exempt Bond rents as published by the Texas Department of Housing and Community Affairs, with all units for seniors; The Applicant will also be receiving tax credit equity in the approximate amount of \$7,115,949; and

WHEREAS, the Owner of the project will expend \$200 per unit annually, with a minimum of \$40,000 annually, for tenant support social services at no cost to the tenants, based on the needs of the tenants, to include some or all of the following: health screenings, family counseling/domestic crisis intervention, computer education, emergency assistance, vocational guidance, adult education programs (such as ESL, life skills, nutrition classes, etc.) and social services and recreational activities; and

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APPROVED

HEAD OF DEPARTMENT

APPROVED

CITY CONTROLLER

APPROVED

CITY MANAGER

October 27, 2004

WHEREAS, of the 248 total units, TX John West Housing, L.P. has agreed to set aside for a period of fifteen (15) years, 5 units for long-term affordable housing for very low income tenants with household incomes at or below 50% AMFI consisting of 5 two-bedroom units with housing costs, (rent plus utilities), not to exceed 25% of the households' gross income, down to a floor housing cost (rent plus utilities) set at 25% of the income of households earning 30% of AMFI adjusted for family and unit size (Walker Units); **NOW THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the DHFC is authorized to issue a Multifamily Mortgage Revenue Bond, Series 2004 for the land acquisition and new construction of the 248-unit Cherrycrest Villas Apartments for seniors to be located at 2563 John West Road in a face amount not to exceed \$15,000,000 for the benefit of TX John West Housing, L.P., a Texas Limited Partnership whose General Partner will be an entity initially owned by Brian Potashnik.

SECTION 2. That the City of Dallas approves and supports the new construction of the Cherrycrest Villas Apartment project for seniors consisting of 248 multifamily housing units, comprised of 248 two-bedroom units located at 2563 John West Road by TX John West Housing, L. P. and further supports the award of 4% low income housing tax credits pursuant to §50.5(a)(7)(B) and §50.5(a)(8)(D)(iv) of the Texas Department of Housing and Community Affairs Qualified Allocation Plan, subject to the conditions set forth herein.

SECTION 3. That the DHFC will include language in the Land Use Restriction Agreement for the Cherrycrest Villas Project that will require: (1) that the Applicant expend \$200 per unit with a minimum amount of \$40,000 annually, for tenant support social services for the tenants of the Cherrycrest Villas Apartments; (2) that the Applicant shall determine the services to be provided based upon a survey of tenant needs performed within six months after completion of the construction and initial occupancy of the project; (3) that the services shall be provided at no cost to the tenants and include all or some of the following services: health screenings, family counseling/domestic crisis intervention, computer education, emergency assistance, vocational guidance, adult education programs (such as ESL, job training, life skills, parenting and nutrition classes, etc.) and social services and recreational activities; (4) that a third party contractor acceptable to the DHFC shall annually monitor and report to the DHFC on the compliance with the tenant support social services and rental restrictions on the Project at the expense of the Applicant; and (5), if the LURA does not require the tenant support social services expenditures to be made prior to debt service payment, a separate guarantee by an entity or individual acceptable to the City guaranteeing the City that the social services expenditures will be made. In-kind social services may count up to 50% toward meeting the social services requirements, with prior City approval.

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APPROVED

HEAD OF DEPARTMENT

APPROVED

CITY CONTROLLER

APPROVED

CITY MANAGER

October 27, 2004

SECTION 4. That, prior to receiving a conditional City of Dallas building permit required by TDHCA prior to closing on the tax credits, the Project Developer will consult with the City of Dallas with regard to security related design standards.

SECTION 5. That the DHFC will provide an annual report to the City of Dallas on the expenditures for tenant support social services programs made by the borrower for residents of the Cherrycrest Villas Apartments, including the types of programs provided and the amounts expended by program.

SECTION 6. That the approval of the City is provided solely for the purpose of satisfying the conditions and requirements of Section 147(f) of the Internal Revenue Code and the Corporation's Articles of Incorporation and By-Laws and the City's consent to issuance and plan of financing of the DHFC's Multifamily Mortgage Revenue Bonds - Cherrycrest Villas Apartments, shall not be construed so as to subject the City, its officers or employees to any liability or obligation with respect to the Bonds. The Bonds shall specifically provide that the Bonds are not a debt of the City of Dallas, Dallas County and State of Texas and that the City of Dallas, Dallas County and State of Texas are not liable with respect to the Bonds.

SECTION 7. That the City Manager is authorized to convey a copy of this resolution to the Applicant and the TDHCA with a written statement of support by the City Council referencing §50.5(a)(7)(B) and §50.5(a)(8)(D)(iv) of the Qualified Allocation Plan, subject to the conditions set forth herein.

SECTION 8. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Housing Department


City Attorney's Office

Office of Financial Services/Community Development, 4FN

COD_HOU 0002456

APPROVED BY
CITY COUNCIL

OCT 27 2004


City Secretary

APPROVED 
HEAD OF DEPARTMENT

APPROVED 
CITY CONTROLLER

APPROVED 
CITY MANAGER

CATEGORY: ITEMS FOR INDIVIDUAL CONSIDERATION

71
043084

AGENDA DATE: October 27, 2004
COUNCIL DISTRICT(S): 7
DEPARTMENT: Housing
CMO: *rst* Ryan S. Evans, 670-3314
MAPSCO: 38Z

SUBJECT

A resolution supporting the Dallas Housing Finance Corporation tax-exempt bonds and 4% tax credits for the new construction of 248 multifamily units for seniors to be known as the Cherrycrest Villas Apartments located at 2563 John West Road - Financing: No cost consideration to the City

Recommendation of Staff: Approval

BACKGROUND

The Dallas City Council created the Dallas Housing Finance Corporation (DHFC) in 1984 to provide financing for affordable single family ownership and multifamily rehabilitation and development within the city. The DHFC has received an application from TX John West Housing, L.P. (Applicant) for the issuance of tax-exempt multifamily mortgage revenue bonds in the amount of \$15,000,000 for the land acquisition and construction of 248 new multifamily units for seniors to be known as Cherrycrest Villas Apartments located at 2563 John West Road. The property is zoned MF-2(A). On October 9, 2003, the DHFC provided a preliminary inducement for the project, subject to City Council approval. On September 10, 2004, the Applicant was issued a Certificate of Reservation for a tax-exempt bond allocation from the Texas Bond Review Board, not to exceed \$15 Million.

The Applicant's proposed income mix is 124 units for tenants with incomes at 50% and below the Area Median Family Income (AMFI) and 124 units for tenants with incomes at 60% and below AMFI. Two units may be occupied by management or maintenance personnel. The proposed unit mix is 248 two-bedroom units.

The proposed community will have common area amenities such as a pool, fitness center, business center/computer lab, and community center. The project owner will conduct a survey of the needs of the tenants as each lease is signed and will provide some or all of the following social services at no cost to the tenants: health screenings; counseling/domestic crisis intervention; emergency assistance; adult education programs (such as: ESL, life skills and nutrition classes, etc.); any social and recreational activities.

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BACKGROUND (continued)

The DHFC held a community meeting on September 29, 2004. A meeting was scheduled for October 19, 2004, to notify the neighborhood of the increase from 200 units to 248 units to receive public input. The Tax Equity and Fiscal Responsibility Act (TEFRA) hearing was held on October 20, 2004, and a second TEFRA hearing is scheduled for October 27, 2004, to notify the public on the increase in units from 200 units to 248 units.

The TDHCA has received an application for low income housing tax credit financing under the new TDHCA rules in the 2004 Qualified Allocation Plan and Rules (QAP). TDHCA funding for projects in the city of Dallas must be approved by City Council. Under the 2004 QAP rules, if the development is located in a municipality that has more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds, the Applicant must obtain prior approval of the governing body of the municipality. The resolution must include a written statement of support from the governing body referencing the State rule and authorizing an allocation of housing tax credits for the development.

In addition, the City Council must vote to allow the construction of the proposed new development if the proposed new development is located within one linear mile or less from a project that: (1) has received housing tax credits or tax exempt bond financing within the preceding three year period; (2) has not been withdrawn or terminated from the States' tax credit program; and (3) serves the same type of household as the proposed development. The resolution must include a written statement of support from the governing body referencing the State rule and authorizing the allocation of housing tax credits. There have been no tax-credit projects for seniors approved within one mile of this location in the past three years.

Approval of this application will enable the Applicant to develop 248 units of affordable housing for seniors. The Housing Department recommended approval of this project.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On October 9, 2003, the Dallas Housing Finance Corporation voted to prelliminarily induce tax-exempt bonds for the Cherrycrest Villas Apartments.

On September 20, 2004, the Housing and Neighborhood Development Committee was briefed on proposed tax credit projects receiving 2004 Private Activity Bond allocations from the Texas Bond Review Board.

On October 4, 2004, the Housing and Neighborhood Development Committee was briefed on the Cherrycrest Villas project.

On October 11, 2004, the Finance and Audit Committee was briefed on the Cherrycrest Villas project.

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043084

FISCAL INFORMATION

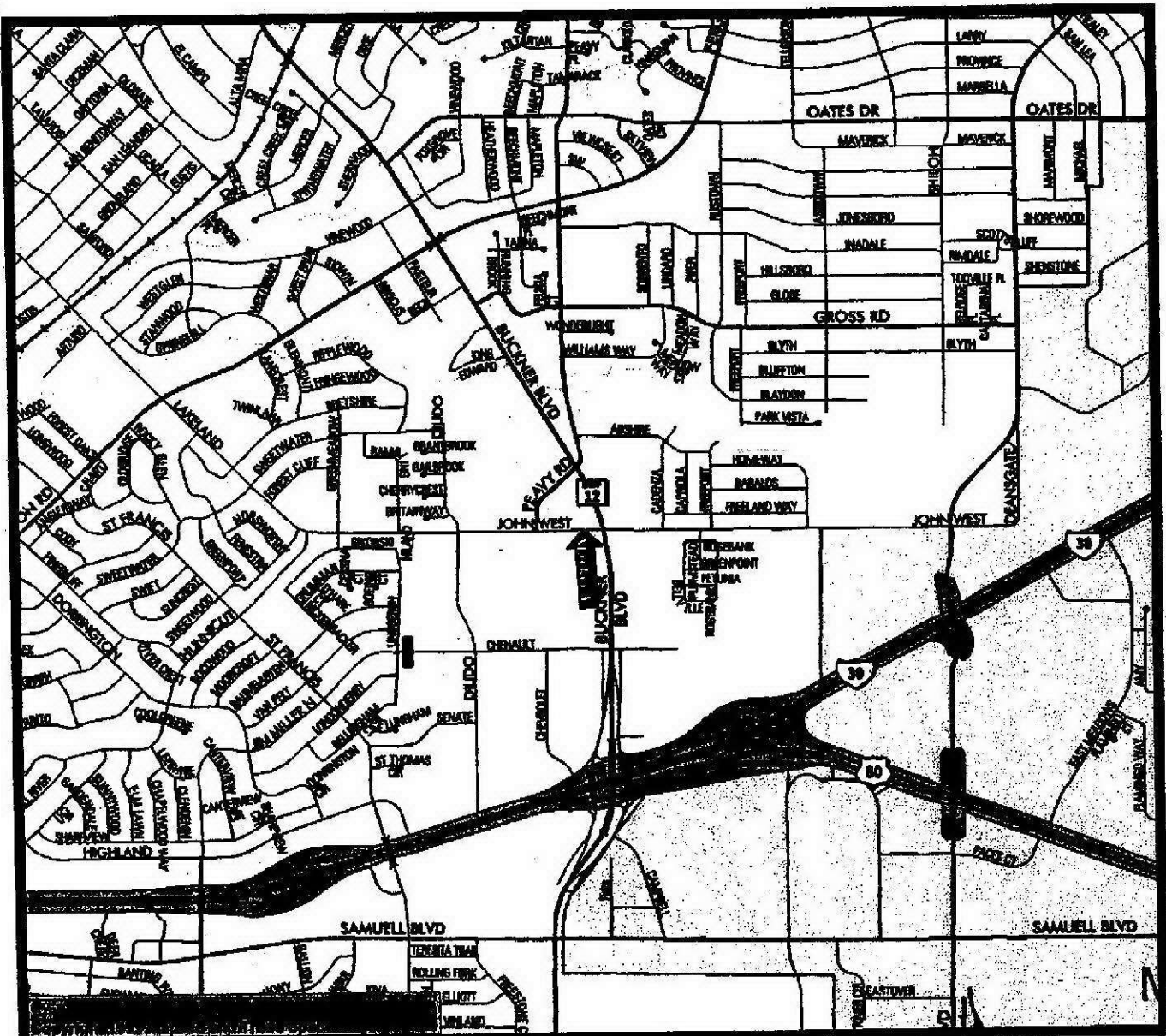
No cost consideration to the City

MAP

Attached

COD_HOU 0002459

043084



1 : 2563 John West Road

COD_HOU 0002460

043084

RECEIVED

2004 OCT 27 AM 10:14

CITY SECRETARY
DALLAS, TEXAS

For Officer Use Only



CITY OF DALLAS

DISCLOSURE OF CONFLICT STATEMENT

This statement is filed in accordance with Chapter 12A of the Dallas City Code. Copies of the applicable code sections and additional copies of this form may be obtained from the City Secretary's office.

Please print or type all information. Attach additional pages if more space is needed.

Check One

Fill in Appropriate Information

<input checked="" type="checkbox"/> Elected Official	Office Held	
<input type="checkbox"/> Appointed Official	Board or Commission/ Title	
<input type="checkbox"/> City Employee	Title/Department	

1. Name of Employee/Official: James L. Fawcett

James L. Fawcett have a conflict as defined in Chapter 12A, Article II, of the Dallas City Code in the following matter:

Item 77-78

COD_HOU 0002461

Nature of Conflict:

Has a security contract.

As a result of this conflict, I will not take any official action in regard to the matter stated above.

James L. Fautroy
Signature of Employee/Official

Date

BEFORE ME, the undersigned authority, on this day personally appeared

James L. Fautroy, who on oath stated that the above facts are
within his personal knowledge and are true
and correct.

SWORN TO AND SUBSCRIBED BEFORE ME on this 27th day of October,
2004 to certify which, witness my hand and seal.



COD_HOU 0002462

Lorri Ann Ellis
Signature of officer administering oath

Lorri Ann Ellis
Printed name of officer administering oath

Notary Public
Title of officer administering oath